

THE FINANCIAL connection

ON THE INTERNET

THE INFORMATION LINK TO SOUND FINANCIAL MANAGEMENT

New Treasury Rules to Spur EFT Growth

By Cheryl Murray

OVER 1 BILLION Automated Clearing House (ACH) payment and collection transactions will be generated as a result of new regulations.

Early in February two regulatory actions were published to update ACH and electronic Federal tax collections for corporate customers. The Financial Management Service released through the Federal Register the—

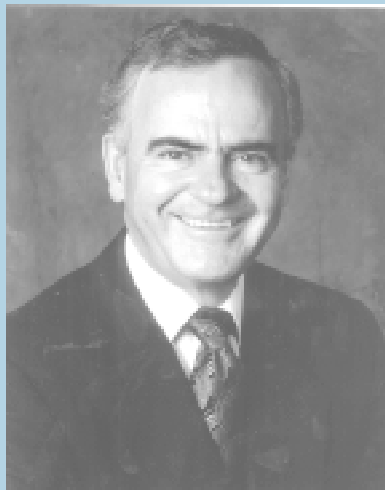
■ Notice of proposed rulemaking for 31 Code of Federal Regulations (CFR) Part 210, Federal Government Participation in the Automated Clearing House, on February 2. Comments on the proposed ACH rule are due May 4.

■ Final rule at 31 CFR Part 203, Payment of Federal Taxes and the Treasury Tax and Loan (TT&L) Program, on February 3.

31 CFR Part 210

The notice of proposed rulemaking for 31 CFR Part 210 proposes to more clearly define the use of the ACH system by the Federal Government. This

Continued on Page 13



RICHARD L. GREGG

FMS, Treasury Officials Selected

Some senior staff appointments in the Financial Management Service, including the selection of Richard L. Gregg as Commissioner, were recently announced. Details of management changes at the bureau of the Department of the Treasury, and in Treasury offices, are on page 2.

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Agency Assistance Beefed Up To Collect Debts

By Linda Smith

DEBT MANAGEMENT Services (DMS), of the Financial Management Service, has formed a new team to assist Federal agencies in implementing the **Debt Collection Improvement Act of 1996 (DCIA)**.

The DCIA requires agencies to transfer debts or claims over 180 days delinquent to the Department of the



Treasury for offset and/or cross-servicing, with few exceptions. In support of this goal, DMS has consolidated reporting and agency liaison activities into a new team to ensure consistent, positive communication with agencies. This new staff creates single points of contact for all agency reporting and liaison activities.

The Agency Liaison Team is working with agencies to assist in analyzing their debt management portfolios, address any barriers for referral of eligible debts over 180 days, and establish referral schedules for the delinquent debts. DMS will work to address agency issues and concerns through interagency issue resolution

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Gregg Appointed FMS Commissioner

By Tom Phipps

RICHARD L. GREGG has been named Commissioner of the Financial Management Service. The appointment, in February, was one of several announced changes since late last year in the ranks of senior officials who manage FMS.

Commissioner Gregg, who succeeded **Russell D. Morris**, had served as Acting Commissioner since December 15, when the Department of the Treasury reported personnel moves affecting FMS, the financial manager for the Federal Government. Formerly, he was Commissioner of the **Bureau of the Public Debt**.

In December, Treasury Under Secretary for Domestic Finance **John D. Hawke, Jr.** outlined several other high-level organizational changes, including the detail of **Kenneth R. Papaj** from Public Debt to FMS to serve as Acting Deputy Commissioner. That move was effective January 5.

At the same time, the Department selected **Donald V. Hammond** as Acting Fiscal Assistant Secretary. On January 5, he succeeded **Gerald Murphy**, who became Senior Advisor to the Under Secretary. The Fiscal Assistant Secretary, who reports directly to the Under Secretary, has oversight of FMS and Public Debt.

For Commissioner Gregg, his selection means returning to the Treasury bureau he initially joined in 1970. Since then, he has held a variety of managerial positions in Treasury. At Public Debt, which he joined in 1976, Commissioner Gregg served first

as Assistant Commissioner in the Office of Financing and later as Deputy Commissioner. A lawyer, Commissioner Gregg also holds a bachelor's degree in political science and a master's degree in public administration.

In January, Commissioner Gregg announced three changes in FMS Assistant Commissioner positions: the selection of



KENNETH R. PAPAJ

Michael Smokovich as Assistant Commissioner, Agency Services; **Diane Clark**, Management; and **Mitchell Levine**, Financial Information. They join **Nancy Fleetwood**, who was recently appointed Assistant Commissioner, Debt Management Services.

Additionally, the selection of **John Newell** as Assistant Commissioner, Regional Operations, was announced in February. He

assumed that position March 9.

The appointments of Smokovich and Newell followed the recent retirements of **Walter Jordan** (Agency Services) and **Bland Brockenborough** (Regional Operations). **FC**

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Department of the Treasury
Financial Management Service **fms**

FINANCIAL MANAGEMENT SERVICE

PRINCIPAL OFFICIALS

Richard L. Gregg, Commissioner
Kenneth R. Papaj, Acting Deputy Commissioner

Director, Legislative and Public Affairs
Director, Office of Quality and Diversity
Management
Chief Counsel

Jim L. Hagedorn

Sondra Hutchinson
David A. Ingold

Assistant Commissioners:
Agency Services
Debt Management Services
Federal Finance
Financial Information
Information Resources
Management
Regional Operations

Michael T. Smokovich
Nancy Fleetwood
Larry D. Stout
Mitchell A. Levine
Constance E. Craig
Diane E. Clark
John D. Newell

Our Task Is Clear

WITH THE PASSAGE of the Debt Collection Improvement Act of 1996 (DCIA), our task as Federal financial managers is clear. Convert Federal check payments to electronic funds transfer (EFT). We at the Financial Management Service know this is not an easy task.

For conversion purposes, FMS has classified all Government payments into four general types of payment categories—*benefit*, *salary*, *vendor*, and *miscellaneous*. Since the passage of the act, the number of EFT payments disbursed Governmentwide has grown rapidly. Treasury-disbursed payments have increased from about 50 percent in fiscal 1995 to a projected 64 percent in fiscal 1998. To maintain this rapid expansion, agencies will need to increase their efforts to convert those payments currently being made by paper. FMS is willing and prepared to provide guidance and assistance needed by the agencies.

Benefit and salary payments are proceeding as expected and are leading the way in our EFT conversion efforts. Salary payments made via EFT are at slightly better than 95 percent. Vendor and miscellaneous payments, which require a hands-on enrollment effort,

have increased substantially over the past months. Vendor conversions have increased 7 percent and miscellaneous payments by 5 percent due to a unified approach by the agencies to convert payments to EFT.

FMS is aware of the people, organizations, systems, issues, and tasks that are impacted by converting payments to EFT. The specific needs and considerations of each payment recipient are considered. In providing guidance to Federal agencies, we understand that agencies must be able to accomplish their objectives and goals. We believe our final guidelines to agencies will be sensitive to the needs of all parties.

FMS headquarters and regional staffs are available to assist Federal agencies, payment recipients, financial institutions, vendors, and other stakeholders involved in this monumental effort. Educational and marketing campaigns are being conducted for all of the Government's EFT initiatives. In March we began conducting regional EFT educational sessions, and we resumed holding regular meetings with each agency to address and resolve specific implementation issues. Our "Best Practices" workshops, designed to supply Federal agencies with



Larry D. Stout

Federal Finance

proven solutions for converting vendor payments to EFT, are generating a lot of interest around the country.

We wish to thank all of our partners who have helped to get us where EFT 99 is today. The next 8 months will not be easy. The collaboration of all parties is essential for meeting the EFT 99 mandate. Please call on us at (202) 874-6640. Our task is clear.

COUNTDOWN TO '99—*The Odyssey From Paper to Electronics*



SCORECARD

Treasury-disbursed Payments by EFT, Through February 1998

Salary	95%	Tax Refunds	56%
Benefit	66%	Miscellaneous	23%
Vendor	36%		
Total	66%		

Agencies Give Credit to The Internet

Exchanging information among Federal credit agencies on the role of the Internet gains momentum.

By Antonio Evans

THE INTERNET, because of its global accessibility, is emerging as the single most significant media platform for electronic communication technology and is reshaping the way business is conducted in both the private and public sectors. The **Federal Credit Policy Working Group (FCPWG)**, a collaboration of Federal credit agencies responsible for executing and administering major credit programs within the Federal Government, has recently formed an Internet subgroup. The group's primary objective is to facilitate the exchange of information among Federal credit agencies on the role of the Internet within the Federal credit management arena.

The meeting forum includes demonstrations of both private and public Internet-based credit-related applications and discussions highlighting the pros, cons, and methods for developing and implementing such applications. A key part of these discussions includes the tangible benefits received from operating Internet-based applications.

The FCPWG Internet Subgroup, which is cohosted by the Financial Management Service and the **Office of Management and Budget (OMB)**, held its kickoff meeting in December and a followup meeting in February. Several primary Federal credit agencies attended to demonstrate, discuss, and/or view examples of Internet-based applications and discuss their applicability as viable alternatives to the existing Federal credit management operating environment. The primary credit agencies represented included the Departments of **Education, Housing and Urban Development, and Veterans Affairs**, and the **Small Business Administration (SBA)**.

Various Applications Demonstrated

The **CheckFree Corp.** demonstrated its "Electronic Bill Presentment" application technology, which is the proprietary software platform being used by SBA's Electronic Bill Payment system. **GTE Corp.** demonstrated its E-Commerce security solution, which bundles public and private key technology, digital signatures, and secure electronic transaction (SET) protocols. Also, the **General Services Administration (GSA)** discussed a proposed Governmentwide security program called Access Certificates for Electronic Services (ACES), which uses digital signatures to ensure user confidentiality, integrity, authorization, and nonrepudiation.

Frank Kesterman, Director of the FMS Risk Assessment and Monitoring Division (RAMD), chairs the subgroup, which convenes once every 2 months. The Federal credit community anticipates rapid gains in cost efficiency and customer satisfaction through implementation of the successes, and discussion of the failures and obstacles experienced by participating Federal credit agencies in evaluating Internet-based applications.

Among the significant issues identified by the subgroup are the security concerns facing Federal agencies implementing Internet-based applications, such as user authentication through Public Key Infrastructure, Certificate Authority, and digital signatures. The FCPWG Internet Subgroup maintains active exchanges with other Internet committees such as the **National Automated Clearing House Association (NACHA)** Internet Council and the FMS Internet Steering Committee.

For additional information, watch for updates in future *Financial Connection* issues or contact Frank Kesterman on (202) 874-6847 or Tony Evans (RAMD) on 874-6896. [FC](#)

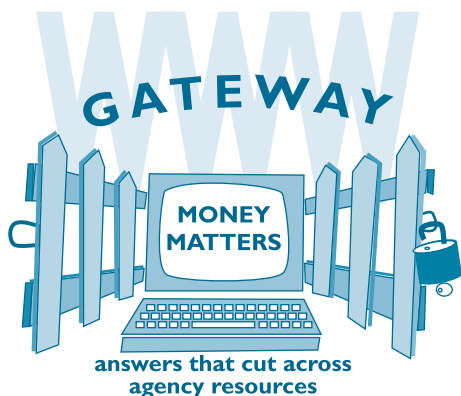


Safe.

DIRECT DEPOSIT

Safer.

Direct Deposit: the quickest, most reliable, and safest method of payment directly to your account. No more worries and no more hassles.



On the Web, State and Local Gateway Unveiled

By Aurora Kassalow

AS PART OF a new interagency initiative, 17 Federal agencies are collaborating to operate a one-stop Web site designed to facilitate State and local government access to Federal Government information. The U.S. State and Local Gateway Web site provides information to the 16 million State and local employees who interface with the Federal Government.

Morley Winograd, Vice President Gore's Senior Policy Advisor, officially announced the Web site at a ceremony January 23.

The Gateway—**www.statelocal.gov**—is organized by subject and not by agency. It provides answers that cut across Federal agency resources. For example, under **Environment/Energy**, a site visitor can find information on laws and regulations, funding, training, tools, and best practices from the **Environmental Protection Agency, Departments of Energy and**

the Interior, U.S. Army Corps of Engineers, and other Federal organizations. Other subjects are: Money Matters, Communities/Commerce, Education, Transportation/Infrastructure, Public Safety, Workforce Development, Housing, Disasters/Emergencies, Health, Administrative Management, and Families/Children.

Even though the Gateway is specifically designed for State and local government officials, it is a great tool for Federal officials and private citizens alike because it is organized by subject. Thus, anyone seeking information on a specific topic, such as **Health**, will find health-related information gathered from numerous Federal agencies.

In addition, the site has a **Current Issues** section with topics such as sustainable communities, welfare reform, and the Year 2000 problem. The Gateway includes user-friendly features such as an icon that links to other Federal inter-agency Web sites, a reference room, an "add-a-link" icon for users to nominate new links, a "frequently asked" button for most frequently requested information,

direct e-mail to the maintainers of the subject pages, and links to State and local government home pages.

Vice President Gore's National Performance Review (NPR) and the **Government Information Technology Services Board** are cosponsors of the project. The **Department of Housing and Urban Development** is the host agency with partners including State and local government officials, the **U.S. Conference of Mayors**, the **National Association of Counties**, the **National League of Cities**, the **International City/County Management Association**, and the **Council of State Governments**.

The Financial Management Service is the subject leader for the **Money Matters** page, which has information on the Federal budget, taxation, funding, laws and regulations, and other financial information of interest to State and local officials. FinanceNet, operated by the **National Science Foundation**, is host of the page.

For more information, contact Aurora Kassalow on (202) 874-6591. **FC**

May Grants Training to Highlight Changing Trends

"CHANGING TRENDS in Grants Management" is the theme of the National Grants Management Association (NGMA) Annual Training Conference May 11-12 in Arlington, VA.

Main speakers are **Mitchell L. Laine**, Deputy Chief Financial Officer, **Department of Education**, who will discuss "the CFO Council and Grants Management"; and **Christopher T. Hill**, Vice Provost for Research at George Mason University, who will speak on "Emerging Collaborations."

A plenary session on OMB (Office of Management and Budget) Update will be held May 12. The session will cover an update of OMB circulars that affect grants management: the recent revisions to A-133 and the Compliance Supplement, and proposed revisions to the Federal Cost Principles.

Concurrent panels for May 11 are:

■ Debt Collection Improvement Act—Governmentwide Implementation,

- Electronic Grants: What's New and Exciting,
- Ethics in Jeopardy,
- Grants Law Changes,
- Crossfire—State/Non-Profit Policy Perspectives,
- Monitoring of Grants—Changing Trends.

The May 12 concurrent panels are:

- Crossfire: Federal/Non-Profit/University Policy Perspectives,
- Changing Trends in Federal/State/Non-Profit Relationship,
- Who Is in Charge? The Changing Roles/Responsibilities of Grants Managers,
- A Financial Management Perspective.

The conference is at the Crystal City Marriott, 1999 Jefferson Davis Highway, Arlington. For additional information, contact Hank or Pam Kirschenmann, NGMA Business Managers, on (301) 871-0730.

Agencies Gear Up for FEDTAX II

By Joann Franklin

HAVE YOU EVER wondered how Federal agencies report to the **Internal Revenue Service (IRS)** on Federal withholding tax payments taken out of your check biweekly? Currently, Federal agencies use a vehicle called FEDTAX to report the tax payments to IRS. FEDTAX is a component of the Financial Management Service's Government On-Line Accounting Link System (GOALS).

Good news! The current FEDTAX system is migrating to a Year 2000-compliant platform. The upgraded system is named "FEDTAX II," which will no longer be on GOALS. Instead, FMS designated **NationsBank** as the service provider.

FEDTAX II will be a module on the **Electronic Federal Tax Payment System (EFTPS)**. EFTPS is an electronic deposit and reporting system used by business and individual taxpayers to remit Federal tax payments. Currently, there are over 1.6 million business taxpayers enrolled in EFTPS. With FEDTAX II, the majority of withholding taxes coming into the Federal Government will be consolidated in one system.

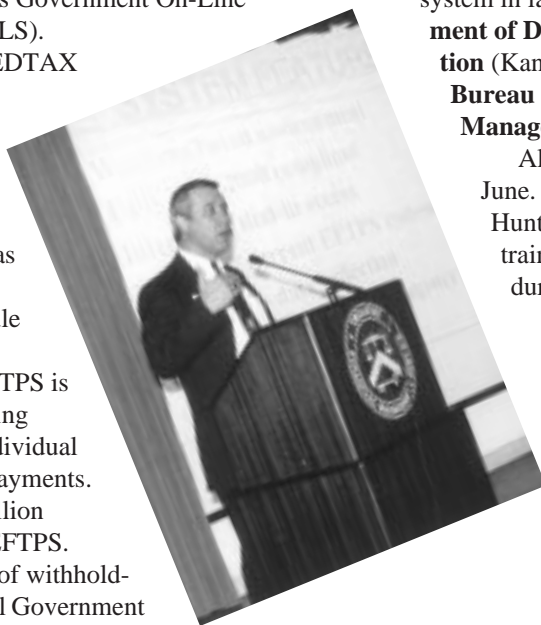
To acquaint agencies with FEDTAX II, FMS, IRS, and NationsBank hosted February 5 a high-level briefing for users and their immediate supervisors. The audience heard that FEDTAX II will incorporate many of the enhancements that agencies requested for FEDTAX. FEDTAX II will also offer agencies many added benefits: a user-friendly Windows-based product that allows easy access to input screens without the current menu drill down; import and export capability; ad hoc report feature; no fees for FEDTAX II system usage; and a dedicated, fully staffed customer service center for agency support.

With the added benefits, FEDTAX II will be a dramatic improvement over the current FEDTAX system. According to **Larry Dreyer**, senior vice president, NationsBank: "Federal agencies have traditionally had to rely on systems and applications that were outdated and difficult to use. The FEDTAX II application that NationsBank is developing is leading-edge technology using the Internet to communicate. This system provides the agencies with technology that the private sector is just now starting to use."

FMS also established a FEDTAX II User Advisory Committee to obtain agency feedback on system development, training, and implementation. The first meeting was held February 6.

Before FEDTAX II is rolled out, FMS will pilot the new system in late April/early May with four agencies: **Department of Defense** (Denver); **General Services Administration** (Kansas City, MO); **Department of the Interior, Bureau of Reclamation** (Denver); and **Office of Personnel Management** (Washington).

All other agencies will receive hands-on training in June. Tentative sites for training are Chicago; Denver; Huntsville, AL; Kansas City; and Washington. Specific training details will be mailed to agency personnel during April.



AT LEFT: Larry Dreyer, NationsBank.

BELOW: The audience hears about the many added benefits of FEDTAX II.



Tom Phipps

If you have any questions or comments regarding FEDTAX II, call Joann Franklin on (202) 874-7018 or send your questions via e-mail: fedtax.II@fms.sprint.com. **FC**

WITH THE SELECTION of two financial agents to provide merchant acquirer services under the Financial Management Service's new Plastic Card Network (PCN), FMS has expanded the number of nationally branded credit and debit cards that Federal agencies can accept. Federal agencies now will be able to accept **American Express**, **Diners Club**, and **Novus/Discover** brand cards as well as **MasterCard** and **VISA** Cards.

The PCN is the successor to FMS' current system, the Plastic Card Collection Network. The newly selected PCN financial agents are **Mellon Bank**, Pittsburgh, and **NationsBank**, Charlotte.

The PCN allows Federal agencies to accept credit and debit cards from the public for the collection of receipts due the Government. Typical collections made through this network include park entrance and other user fees, product sales and

THE FEDERAL GOVERNMENT, WHICH BEGAN USING CREDIT CARDS FOR COLLECTIONS IN 1987 AND EXPANDED TO DEBIT CARDS SHORTLY THEREAFTER, PROCESSES APPROXIMATELY \$400 MILLION IN COLLECTIONS ANNUALLY THROUGH THE CURRENT PLASTIC CARD COLLECTION NETWORK.

services, and fines. The network accelerates funds into the Treasury's account by the use of electronic funds transfers.

In addition to providing merchant acquirer services, NationsBank was also selected to provide the **Uncle Sam Acquisition (USA)** Card services to Federal agencies. The USA Card is an electronic collection application used by Federal agencies to make purchases from other Government agencies. USA Card transactions generate journal voucher funds transfers between agency accounts within the Treasury's General Account. While providing Federal agency users with the convenience of a plastic card application, it saves the Government money by keeping funds within the Government, avoiding branded card processing fees, and only processing accounting information.

Testing New or Emerging Technologies

Within the PCN, eight financial agents were also selected to assist FMS with the exploration and testing of new or emerging card-based technologies for Federal financial transaction processing. These new technologies include the use of stored-value cards, microprocessing chip or smart cards, and financial transaction uses of the Internet.

PLASTIC CARD NETWORK

Multiple Credit, Debit Cards Accepted for Collections

By Carlton Maryott

FMS has selected these financial agents to help explore and test new or emerging card-based technologies:

- American Express Centurion Bank, Midvale, UT
- Bank of America, San Francisco
- Chase Manhattan Bank, New York
- Citibank, New York
- First National Bank of Chicago, NBD, Chicago
- First Union National Bank, Charlotte
- Mellon Bank
- NationsBank

The Federal Government, which began using credit cards for collections in 1987 and expanded to debit cards shortly thereafter, processes approximately \$400 million in collections annually through the current Plastic Card Collection Network.

For further information concerning PCN credit card collections, contact Angela Vessels or Eric Beasley, FMS, Financial Services Division, 401 14th St., SW, Washington, DC 20227—telephone: (202) 874-6580.

Contact Debbie Davenport, FMS, Card Technology Division, at the same address, for more on the USA Card, or phone 874-6873. [FC](#)

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EFT 99 AND FEDERAL DEBT COLLECTION.
Learn about the latest developments in these major Treasury initiatives in the pages of *The Financial Connection*. Call (202) 874-6540 if you would like to subscribe.

Pennsylvania Small Business Harnesses High Technology

By Sam Stokes

MANY YEARS AGO a movie, titled "The DI," was made starring the late **Jack Webb** as a U.S. Marine Corps drill instructor. In the movie he said to his undisciplined and raw Marine recruits: "You are not a mob. A mob has a leader. You are a herd."

My personal definition of a leader in the business world is one who can find the path that leads the company to a prosperous future. And on this journey, the "herd" will become a "mob" by walking the path with its leader. In the past year some groups have said that small businesses are a directionless herd that do not have leaders that can find the correct path.

What is a typical small company? Can a small company survive? Can a small company find the path to a prosperous future?

In a small town in Pennsylvania there is a small company. It has been in business since 1962 and has 35 employees that work from 8 to 5 manufacturing and selling a product. Some of the machines in the plant are new and some are old. Twenty percent of the products are made overseas and 1 percent are shipped overseas. Typical of a small company, right?

The company receives orders from its distributors and from direct customers via telephone, mail, and fax. The office has 10 employees, of which most have a new computer. In the past year, the company's business has grown substantially. This small company pays some of its bills electronically including employees' Federal income tax withholding and Social Security. To deposit these taxes, it uses the Financial Management Service's **Electronic Federal Tax Payment**

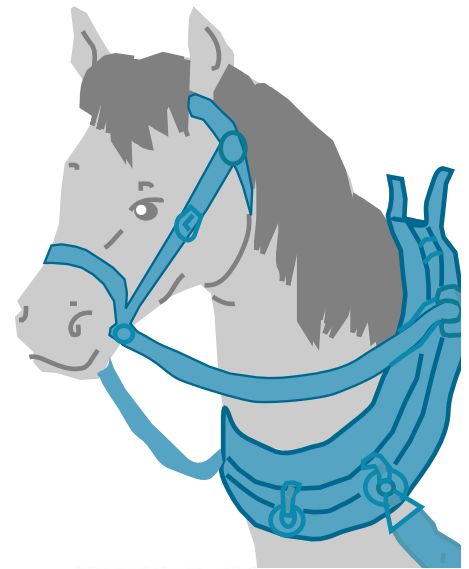
System (EFTPS)—the ACH (Automated Clearing House) Debit method. The company's office manager, **Michelle Riehl**, said that EFTPS was "easy and convenient to use." Not your typical small company, right? Too much information superhighway electronics for a typical small company, right? This company appears to be a high-tech company that could be making and selling a high-tech product, right?

Small businesses want to be part of the future, and most have already found

THIS SMALL COMPANY PAYS SOME OF ITS BILLS ELECTRONICALLY INCLUDING EMPLOYEES' FEDERAL INCOME TAX WITHHOLDING AND SOCIAL SECURITY, USING THE FINANCIAL MANAGEMENT SERVICE'S ELECTRONIC FEDERAL TAX PAYMENT SYSTEM.

the path. They are connected to the future by using computers, and they know that following an electronic path will become more and more a necessity if they are to remain competitive. As an example, a recent study by **National Small Business United** and **Arthur Andersen Enterprise Group** revealed that 41 percent of small businesses use the Internet and at least 69 percent had computers.

Most small companies in small towns will make the transition to the 21st century with no problem, because they



are already "connected" and are embracing electronic technology. Small companies will not just survive, they will prosper. Most small companies have left the technology used in much of the 20th century behind and are already using the technology of the 21st century. Today's small-business leaders know that a paper trail will lead to a dead-end in the 21st century.

Why is this one small company in Pennsylvania so "connected" to the information superhighway? Is it because of the product it sells or is it because its leader has found the path, as have most small-business leaders, that leads to a prosperous future? Well, it is an Amish company named the **Smucker's Harness Shop, Inc.** of Churchtown. It makes harnesses and bell straps for horses, and yes, it does sell buggy whips. Just a typical small business in the fast lane to the future on the information superhighway. **FC**

FMS Clears Single Path To Accounting, Budget Systems

By Rob Rizzoni

FEDERAL PROGRAM agencies can look forward to simple entrée to the Government's accounting and budget execution systems, as **Systems Interface** takes shape.

Its introduction, just around the corner, is none too soon for agencies, which have long pushed for an exclusive window to access major systems operated by the Financial Management Service.

Pilot testing of the Systems Interface project was approved in FMS in late 1997. It will be a standard, flexible, user-friendly computer interface providing agencies a single point of entry to multiple FMS systems. FMS' Federal Finance Assistant Commissioner area is leading the project. Partners include FMS' Information Resources Assistant Commissioner area and a contractor, **American Management Systems (AMS)**.

Initial FMS Systems Targeted

Currently, AMS is interviewing the systems owners of the initial four FMS systems that will be included in the interface. They are GOALS (Government On-Line Accounting Link System), STAR, CMP (Civil Monetary Penalties), and PACER. The pilot phase should be completed by fiscal yearend and the entire project by mid-1999.

Program agencies now must use multiple entry points and access methods. One agency has a room set aside, dubbed "The Treasury Room," just for PCs used to access FMS systems—obviously a costly way to do business. Agencies have requested that FMS remedy this problem. And the

interface initiative was started due to the increasing pressures from agencies to streamline the systems access process. The project team held interviews with over 150 agency personnel representing 23 agencies. Those interviews validated what FMS has heard for years: Agencies feel it is critical that FMS install a single entry point for them to access its systems.

Customer Service Benefits of the Interface

Systems Interface will offer FMS' customer agencies these benefits:

■ The single point of entry interface will provide customers with a more streamlined, user-friendly method of accessing FMS systems and will reduce the "hassle factor" associated with their access, especially for users of multiple, cross-functional systems.

■ The look and feel of the interface will be more intuitive, convenient, and user-friendly than previous access methods allowed. The Graphical User Interface will be on a par with familiar interfaces such as Windows and the World Wide Web.

■ The Online Help feature of the interface has the potential to allow users to provide "customer input and feedback" to FMS on system issues and problems.

■ The Customer Support and Accessibility features of the interface have the potential to provide customers with support that is "functional, useable, timely, and of fair value."

■ The single point of entry will eliminate agencies' need to maintain separate standalone systems for each FMS system. This will save agencies in hardware, software, and leasing costs (some agencies need a special area for all of their PCs used to access FMS systems). It will also maximize the cost efficiency of their dedicated lines (currently some agencies can only use this line for a few FMS systems; with the interface, they can access more systems using this line, lowering their per-system cost).

■ The interface will allow agencies to lower training costs by eliminating the need to train users on today's multiple systems access methods.

■ The interface will save time and money by reducing connection problems (e.g., busy signals and dropped connections) agencies experience now.

■ Productivity tools will be available via the interface, such as a newswire and file transfer capabilities.

The interface will support the most common end-user hardware and software configurations, facilitating ease of use, lower connection costs, and reduced management needs on the agency side. In addition, users won't need to be concerned with software upgrades.

For more information, contact Rob Rizzoni on (202) 874-7038.



It's a Wonderful Law

With a little marketing ingenuity, banks can benefit substantially from EFT 99.

By Len Ferman

CUSTOMER RETENTION has become the mantra for large banks across the Nation in recent years. Faced with heightened competition for depositors' dollars, some banks find it increasingly difficult to maintain valuable customer relationships. EFT 99 has created an opportunity for banks to increase customer retention. However, to realize this opportunity, banks must act quickly.

Beginning January 2, 1999, nearly all Federal Government payments to consumers will be required to be made electronically. As a result, 1998 is the year during which consumers will have to make decisions as to where their funds are to be electronically deposited. And where the customer ultimately decides to deposit his or her dollars could substantially impact customer retention. **Barnett Bank** has found significant correlations between Direct Deposit and customer retention. That is, customers who have one or more regular direct deposits are more likely to maintain their banking relationships.

Accordingly, Barnett Bank has turned EFT 99 into an important customer retention marketing effort. The bank has chosen to focus on Social Security payments, as this represents the single largest source of Federal Government payments to existing Barnett customers. By creating quick and simple methods to sign up for Direct Deposit of Social Security payments, utilizing a variety of communication channels, Barnett has put itself in a better position to retain customers who currently receive their Social Security checks in the mail.

Barnett's efforts to facilitate Direct Deposit enrollments for Social Security payments have centered around the bank's three points of possible contact with the customer—in-branch, telephone, and mail.

For each of these points of contact, Barnett, with the cooperation of the **Social Security Administration (SSA)**, has developed a simple method for Direct Deposit sign-up. For the

branches, Barnett has developed a simplified sign-up form. The form is substantially shorter, and easier to read, than the SF 1199A, Direct Deposit enrollment form. As a result, Barnett's tellers are more willing to use the form and offer Direct Deposit sign-up when the customer presents a Social Security check at the teller window. The teller assists the customer in filling out the form quickly and captures the customer signature. The forms are batched at each branch and sent to a central location at Barnett. There, Barnett retains a copy (the form is in triplicate), enters the information into a data base, and sends the sign-up information to SSA.

Barnett also accepts Direct Deposit sign-ups for Social Security payments via the telephone. Customers calling in to sign up are asked a series of questions to verify their identity. Barnett representatives then fill out an e-mail form, which is sent to the central Barnett location. There, the e-mail information is entered into a data base and transmitted to SSA. A copy of the e-mail is retained on file by Barnett as a means of recording the time, date, and name of the representative who accepted the verbal authorization for Direct Deposit. This method can be more advantageous for the customer than calling the SSA toll-free number, because it eliminates the need for the customer to provide depositor account and routing transit numbers accurately.

Finally, Barnett has conducted several successful direct-mail efforts to sign up customers for Direct Deposit of Social Security. These mail efforts are particularly effective because a simplified sign-up form is mailed to the customer with the appropriate account and routing transit numbers formatted in a bar code. Customers simply verify the information printed on the form, sign it, and return it in a postage-paid envelope, addressed

Continued on Next Page

directly to SSA. SSA reads the bar code, thus automating the sign-up process.

Each of the three methods has been very successful for Barnett. During 1997, Barnett enrolled 15,000 customers in Direct Deposit. In addition, by having multiple sign-up methods available, the overall enrollment effort is more effective. For example, if a customer who has received a direct mailing calls the bank with a question, Barnett simply takes the sign-up authorization via phone rather than generating an additional mailer. This saves time for the customer and increases customer satisfaction and retention.

Now, as 1999 looms nearer, Barnett is in a strong position to increase and defend its existing customer base, thanks to EFT 99 and a bit of savvy marketing.

■ *The writer is Convenience Marketing Manager for Barnett Bank.*

Barnett Direct Deposit of Social Security Request Form

To sign up for Direct Deposit of your Social Security check into the Barnett Bank account of your choice, please read the back of this form and fill in the information requested below. Then sign, date, and return this form to your local Barnett office location. In most cases, if your form is received by the 15th of the month, Direct Deposit will begin with your next month's check.

☐ YES, I ☐ NO, I do not

Administration to deposit my monthly benefit check directly into the Barnett Bank account listed below, at no charge to me.

Social Security Number: [] [] [] - [] [] - [] [] [] []

Account Number: [] [] [] [] [] [] [] [] [] [] [] [] [] [] [] []

ABA Routing Number: [] [] [] [] [] [] [] [] [] [] [] [] [] [] [] []

Please check type of account: ☐ Checking ☐ Savings

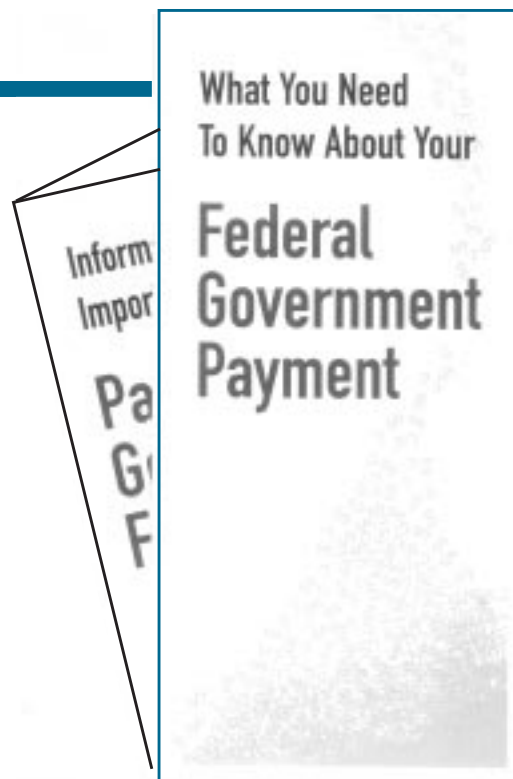
PAYEE CERTIFICATION
I certify that I have read and understood the back of this form. In signing this form, I authorize my payment to be sent to Barnett Bank, to be deposited to the designated account.

Phone Number () - [] [] [] [] [] [] [] [] [] [] [] [] [] [] [] []

Barnett

Share the Good News

The Financial Management Service welcomes success stories like this one. If your financial institution has recently implemented innovative Direct Deposit marketing techniques and has had a dramatic increase in enrollments, let us know. Call Theresa Raines on (202) 874-6540.



New EFT 99 Pamphlet Is Instant Bestseller

IF INITIAL NUMBERS are any indication, the Department of the Treasury's new pamphlet entitled "What You Need to Know About Your Federal Government Payment" is an instant bestseller with nearly a million copies ordered so far.

A critical component of the Electronic Funds Transfer (EFT) 99 public education campaign will be the efforts to reach Federal Government check recipients to inform them about their options under the new program. Some check recipients may face several choices under EFT 99 that could include a decision to enter the financial mainstream for the very first time. The pamphlet is designed to provide financial institutions, financial trade, consumer, and community-based organizations a basic information resource to provide to customers and constituents who may be Federal check recipients.

The new pamphlet explains to check recipients the current options under EFT 99. Recognizing that these options could change when the final rule mandating EFT is published, the pamphlet informs recipients that Direct Deposit is the answer for those with an account at a financial institution. It also states that recipients without an account at a financial institution have the option of opening one, or waiting for more information later in 1998 about a new low-cost Treasury account.

The pamphlet is available in English and Spanish versions and can be viewed, downloaded, or printed from the Financial Management Service Web site at www.fms.treas.gov/eft. Supplies are also available by calling (202) 874-6540. **FC**

—WALT HENDERSON

ELECTRONIC FUNDS TRANSFER

PROVISION OF THE DEBT COLLECTION IMPROVEMENT ACT OF 1996

www.fms.treas.gov/eft/

updated March 13, 1998

What's **NEW!**

- [EFT 99 Exchange Brochure](#)
- [Federal Government Payment Pamphlet: in English in Spanish](#)
- [Comment letters: on 31 CFR 208](#)
- [31 CFR 210: ACH Proposed Rule](#)

GENERAL
INFORMATION

REGULATIONS
& POLICY

EDUCATION
& MARKETING

AGENCY
ASSISTANCE



Tom Phipps

TOP: At FMS headquarters, from left, are Ron Rosenblum, Connie Amos-Parsons, and Don Clark.

RIGHT PHOTO: Wally Ingram, Austin.



FMS Employees Join Ranks of ACH Pros

FOUR EMPLOYEES who took the 1997 written Accredited ACH Professional (AAP) examination were notified that they were successful in making the grade, the Financial Management Service is proud to announce. Kudos are extended to **Ron Rosenblum, Don Clark, Connie Amos-Parsons, and Wally Ingram.**

The AAP examination, sponsored by the **National Automated Clearing House Association (NACHA)**, tests participants' knowledge of all aspects of the Automated Clearing House (ACH) network, including its rules and regulations, concepts and fundamentals, the payment system, risk management, marketing strategies, and professional responsibilities. The AAP program is designed to encourage professional growth and expansion of knowledge about ACH.

These individuals set personal goals to increase their understanding of ACH and to certify their credibility by becoming AAPs. FMS is proud of this achievement and continued recognition in the financial industry. **FC**

Comments Due May 4 on ACH Rule

■ REGULATIONS

From Page 1

regulation defines the rights and liabilities of Federal agencies, Federal Reserve banks, financial institutions, and the public, in connection with ACH credit entries, debit entries, and entry data originated or received by a Federal agency through the ACH system. This rule is critical since the ACH system will provide the dominant, though not exclusive, electronic funds transfer system used by Federal agencies.

The primary objectives of the revisions to Part 210 are to: broaden the scope to include all ACH entries and entry data; streamline the regulation by deleting outdated provisions and removing operational guidelines; establish the regulations that will govern Federal Government ACH transactions by adopting private industry ACH rules, with certain exceptions; and provide a regulatory foundation for program initiatives that rely heavily on the ACH.

Federal agencies will benefit, as 31 CFR Part 210—

- Allows agencies to take advantage of the full array of ACH services;
- Expedites the recovery of duplicate or erroneous files or entries by allowing the use of ACH reversals;
- Improves the efficiency of the reclamation process by developing a regulatory basis for paperless processing of the information and money associated with the transactions; and
- Provides greater clarity on their roles, responsibilities, and liabilities associated with ACH transactions.

Financial institutions also benefit through—

- Reduction in the administrative burden of processing Federal Government ACH

Putting the ‘Customer’ Back into Customer Service

THE FINANCIAL Management Service is dedicated and committed to providing high-quality financial management services, products, and solutions to its customers, Federal program agencies. FMS realizes that the true measure of its success is the effective delivery of these services.

To achieve the best results, and to better service your needs, FMS needs to hear from you. Your feedback is essential to success in providing not just good customer service, but quality customer service.

Last year, in an effort to measure and improve the level of customer service, Federal Finance, an area within FMS, created a **Customer Service Survey**. It was distributed to numerous agencies, requesting feedback on the quality of the customer service FMS provides. As a result, FMS was pleased to learn that its customers were extremely satisfied with the level of service delivered by Federal Finance. However, FMS cannot continue to meet your requirements by resting on its past accomplishments—it can do more.

FMS wants to put the “customer” back into customer service, with your help. Your suggestions and comments are important. The time you take to complete the questionnaire is both appreciated and worthwhile. What can you do to help? When you receive a copy of the survey, please promptly complete and return it to FMS. Thank you.

entries and the

- Promotion of a better understanding of the Government reclamation process and the actions required of a financial institution to limit its liability.

31 CFR Part 203

With the final rule for 31 CFR Part 203, FMS achieved one of its longstanding goals of implementing an electronic means for collecting corporate withholding taxes, the **Electronic Federal Tax Payment System (EFTPS)**. Title 31 CFR Part 203 provides regulations for financial institutions and Federal Reserve banks handling the payment of Federal taxes by business taxpayers. In fiscal 1997, **nearly \$750 billion** of the **\$1.25 trillion** total received for corporate withholding taxes was collected electronically. This rule provides guidance on the use of EFTPS and prescribes the duties, responsibilities, and liabilities for financial institutions. In general it—

- Allows five electronic payment options: the **future-day** payment methods are ACH Debit and Credit; the **same-day** payment methods include Fedwire Non-Value, Fedwire Value, and Direct

Access transactions.

- Removes the need for financial institutions to be authorized as TT&L depositories to process Federal taxes paid through EFTPS.

- Attempts to mirror current industry **National Automated Clearing House Association (NACHA)** standards wherever the interests of the Government are not jeopardized.

- Eliminates the requirement that TT&L note option depositories must accept and process Federal tax deposit (FTD) coupons.

For further information regarding 31 CFR Part 210, or to view the proposed rule, visit FMS’ Web site at **www.fms.treas.gov/ach** or contact the Cash Management Policy and Planning Division staff: Diana Shevlin on (202) 874-7032 or Donna Wilson on 874-6799.

For the final rule of 31 CFR Part 203, visit **www.fms.treas.gov/eftps/203final.html** or contact Michael G. Dressler on 874-7106. **FC**

Offset Help Desk Aids Agencies, Debtors

By Shawn Freeman and Scott Spell

UPON THE PASSAGE of the **Debt Collection Improvement Act of 1996 (DCIA)**, the Financial Management Service and Federal program agencies assumed a new role as partners in providing "good government." Under the DCIA mandate, FMS created the Treasury Offset Program (TOP). TOP

them of the offset or potential offset and listing the creditor agency as the primary point of contact for debtor questions. Each notice also contains the toll-free TOP Help Desk number as the secondary point of contact.

The TOP Help Desk responds to inquiries from agencies (paying and creditor) and debtors concerning Federal payments that may have been offset or are scheduled to be offset. Most Federal agencies can access TOP directly through client software. The TOP Help Desk provides assistance to those agencies that do not have direct access to TOP. Debtors who call the TOP Help Desk can receive information on TOP and the offset process. Those debtors who call to make payment arrangements or to dispute the debt are referred to the creditor agency.

Effective February 1, FMS moved the Help Desk from Washington, DC, to the Birmingham Financial Center. The FMS TOP Help Desk toll-free number is 1-800-304-3107. The hours of operation are from 7:00 a.m. to 9:30 p.m. central time. [FC](#)

**TOP Help Desk Toll-Free Number
1-800-304-3107**

takes advantage of the FMS centralized disbursement process by matching a data base of delinquent debts owed to various Government agencies against payments made by the Government. When TOP matches a delinquent debtor record to a payment being issued, the payment is intercepted and offset to satisfy all or part of the debt.

FMS mails an offset notice to Federal debtors informing

DEBT MANAGEMENT SERVICES

Program Contacts and Telephone Numbers (Area Code 202)

Nancy Fleetwood, Assistant Commissioner—874-3810

Regulations, Debt Collection Center Designations,
Public Awareness

Scott Johnson, 874-0540

Treasury Offset Program

Martin Mills, 874-5560

Tax Refund Offset Program

Gayle Kreckman, 874-5560

Child Support Program

Elizabeth Moldenhauer, 874-5560

Cross-Servicing

Jim Sturgill, 874-8700

Private Collection Agency Contracts

Mary Nelson-Parent, 874-8700

Reports on Receivables Due From the Public
Portfolio Analysis
Agency Workshops

Dean Balamaci, 874-6660

When: May 20

Where: Rosslyn, VA

THE DEBT MANAGEMENT Services (DMS) area of the Financial Management Service is hosting a 1-day conference as part of a major effort designed to reach a broad-based Federal audience. The conference will be held **May 20** at the **Holiday Inn WestPark Hotel in Rosslyn, VA**. DMS encourages attendance by its colleagues in finance, and particularly those that are charged with and/or implement debt collection activity. Conference topics to be covered include important developments regarding implementation of the **Debt Collection Improvement Act of 1996 (DCIA)**. Major topics include:

■ **Offset and Cross-Servicing**

■ **Regulations Overview**

■ **AGENCY LIAISON TEAM**

From Page 1

groups. Three current groups include:

■ **Debt Collection Issues on Purchase Card Transactions,**

■ **Taxpayer Identify Identification Numbers,**

■ **Treasury Offset and Cross-Servicing.**

Agencies will be assisted by the appropriate debt specialists in developing individual DCIA implementation plans and debt performance indicators. Agency meetings will culminate with an agreement on initial portfolio composition and sign agency commitments to refer delinquent debts to FMS in compliance with the DCIA. By April of this year, FMS will have completed referral schedules with all major holders of delinquent Federal debt.

The initial focus of the Agency Liaison Team was to meet with the major credit agencies to identify and reach agreement on debt performance indicators that will identify the debts eligible for referral to Treasury for offset and cross-servicing. To

Debt Collection Conference Slated for May

■ **New Report on Receivables Due From the Public**

■ **Debt Collection Centers**

For more information, including registration, access the Web site at www.fms.treas.gov/debt/dm5-20.html or call (202) 874-6660. Since space is limited, all participants must preregister by **May 11**. [FC](#)

***Preregistration is required
by May 11.***

assist in this process, it was determined that debts in bankruptcy, in foreclosure, in forbearance, or in appeals, and foreign debt are excluded from eligibility for referral to Treasury for offset. Additionally, debts at private collection agencies and at the **Department of Justice**, and debts eligible for internal offset, are excluded from eligibility for referral for cross-servicing.

Additional Meetings This Year

DMS has completed meetings with all Treasury bureaus and the five major credit agencies to analyze their debt portfolios and discuss referral strategies. The Agency Liaison Team will meet and reach agreements with the remaining Chief Financial Officer (CFO) agencies by May 1998 and non-CFO agencies by July 1998.

The Agency Liaison Team will continue to work with agencies to monitor and agree on delinquent debts that should be referred to Treasury for offset and cross-servicing. For questions about the team or issue resolution workgroups, contact Dean Balamaci on (202) 874-6660. [FC](#)



Check Forgery Insurance Fund

Timelier Settlement Seen For Lost, Stolen, Forged Checks

By Ella White

ON MARCH 26 and 27, Check Forgery Insurance Fund (CFIF) and several other enhancements were added to the **Treasury Receivable, Accounting, and Collection System (TRACS)**. Capabilities have been enhanced for using the CFIF, automatic transfer of partial reclamation credits, and various reports for 1099C reporting and check reclamations.

Implementation of the CFIF enhancement provides for the timelier issuance of settlement checks to payees of checks that have been lost or stolen and subsequently endorsed over a forged endorsement. Also, the CFIF provides Federal program agencies with reclamation credits upon the determination of forgery instead of waiting for the collection from a financial institution.

Reclamation Issues Addressed

Other enhancements offer—

- The transfer of reclamation credits to Federal program agencies on a daily basis instead of holding the funds until

monthend.

- The transfer of partial reclamation collections received to Federal program agencies instead of holding the funds until the full reclamation principal is collected from the financial institution.

- Various reclamation reports to assist Federal program agencies in monitoring the reclamation process.

These enhancements were made to address the concerns of FMS' customers who requested the reinstatement of the CFIF and the timelier transfer of reclamation credits.

Questions regarding the issuance of settlement checks should be made to the FMS Check Claims Branch on (202) 874-8400, and questions regarding partial credits should be made to Dianne Lane, Acting Branch Manager, Reclamation Branch, on 874-7770. Questions on the CFIF implementation should be directed to Rita Howard, Director, Financial Projects Division, Rm. 800A, 3700 East-West Highway, Hyattsville, MD 20782, telephone: 874-8462. [FC](#)

Newly Launched System Improves Treasury Compensation To Depositories

By Tamara Brown

THE FINANCIAL Management Service's Banking Management Division has improved the review and compensation process of its Domestic Treasury's General Accounts (TGAs). This improvement has been accomplished using the current CASH-LINK system and an alternative billing and data tracking process called Negotiated Average Bank Review System (NABRS). CASH-LINK is FMS' cash concentration and reporting system.

NABRS enables the Department of the Treasury to more accurately compensate depositories for TGA services provided. Depositories are required to produce monthly CASH-LINK bank

management reports that contain income-and-expense information. These reports, along with information derived from TGA daily deposit reports, are used to calculate compensation. NABRS allows TGA depositories to continue to produce their monthly bank management reports; however, compensation is based on average units of reported expenses.

Monthly ACH Payments

The system gathers the TGAs' historical data and calculates averages for

Continued on Next Page

At FMS, Top Official Named To Oversee Federal Payments

JOHN D. NEWELL, former Deputy Chief Financial Officer (CFO) and Director for Financial Management at the **Department of Commerce**, has been selected as the Financial Management Service's new Assistant Commissioner, Regional Operations, effective March 9.

FMS' Regional Operations Assistant Commissioner area is primarily responsible for managing and operating systems that disburse approximately 85 percent of all Federal payments.

Newell replaces **Bland Brockenborough**, who retired on December 30, 1997. Newell brings with him a wealth of Government experience spanning 25 years. He has served as the Director of Internal Audit at the **Bureau of the Public Debt** and as an Assistant Inspector General at the Department of the Treasury.



JOHN D. NEWELL

While at Commerce, Newell served as the Assistant Inspector General for Automated Information Systems and moved on to become the Assistant Inspector General for Auditing before assuming his position as Deputy CFO.


FMS and Regional Operations welcome the new Assistant Commissioner to his new position.

■ COMPENSATION

From Preceding Page

each reported expense. These average volumes are used to create a monthly payment by Automated Clearing House (ACH) for each financial institution. Averages are updated quarterly, and adjustments are made accordingly. NABRS reduces the need to verify the financial institutions' reporting and eliminates much of the manual portion of the bank review process.

NABRS implementation began in October 1997. The TGA depositories that have already been converted to NABRS are completely satisfied with the improvement. The Division plans to convert TGAs quarterly, when the averages are updated.

For more information, contact Tamara Brown on (202) 874-6656. 

MAKE THE CONNECTION.

The Financial Connection is widely circulated among Federal agencies, financial institutions, associations, and other organizations. Get your financial management story in print. Call **(202) 874-6763** for details.



Treasury Franchise Fund Manager Selected

DEPARTMENT OF THE Treasury Deputy Chief Financial Officer **Steve App** and Advisory Board Managing Director **Barry Hudson** selected **Rebecca Pennington** from the Center for Applied Financial Management to serve as the Franchise Fund Manager for the Department of the Treasury Franchise Fund.

The Center is one of seven subactivities under Treasury's Franchise Fund pilot activity. In addition, the Center manages the Franchise Fund activity for the Department on a reimbursable basis.

As Fund Manager, Pennington will review financials and discuss with Treasury, prepare quarterly financials and present to the Advisory Board, and conduct yearend closing, reporting, and auditing functions. The position requires demonstrated ability, knowledge, and extensive practical experience in financial management practices and general management of governmental or business entities. Specifically, the position requirements highlight experience and knowledge in the areas of accounting, budget execution, financial and management analysis, financial management,



REBECCA PENNINGTON

cost-accounting procedures, and performance measurement requirements, as well as an understanding of franchising and its requirements.

Unlike other positions, the Fund Manager position is not a fulltime one. Although it is not expected that the performance of duties will take up 100 percent of the time, the critical nature of this function requires top-priority commitment. As Fund Manager, Pennington will continue to work as a financial management consultant and

instructor for the Center in addition to her new duties. She will report directly to the Treasury Deputy Chief Financial Officer for all Franchise Fund Manager duties.

As an accounting graduate from Mary Washington College, Pennington began her Federal career in August 1991 in the Financial Reports Branch, Financial Information Assistant Commissioner area, Financial Management Service. Having transferred to the Center's Consulting Staff in July 1992, she primarily works on projects assisting customer agencies with Standard General Ledger (SGL) conversions, Chief Financial Officers (CFO) Act compliance, and systems implementation, while also teaching Federal accounting, cost accounting, and credit reform policy. She is married with one daughter and lives in Fredericksburg, VA.

Pennington follows **Bill Mills**, who served as Fund Manager in the Franchise Fund's first year of operation. He recently left FMS to accept a position as Finance Officer for the **National Transportation Safety Board**. [FC](#)

Reporting Gets All the Attention at Year-End Closing Seminar

THE CENTER FOR Applied Financial Management has scheduled its Year-End Closing Seminar **August 11** at the Hyatt Regency Bethesda (MD). The seminar, one of the Center's most popular training events, will present topics on the fundamentals of financial reporting as well as those covering updates and changes in reporting requirements and crosswalks. Seminar topics are:

2108—Year-End Closing Statement

SF 133—Report on Budget Execution

FACTS I

FACTS II

Report on Receivables

Form and Content Statements

Preparing for Audit of Agency Statements

SGL Pre-Closing and Closing Entries

GOALS (Year-End Reporting Procedures)

Reporting Revenue

Anyone working at the operational and transactional level including preparers, reviewers, and auditors of year-end reports and statements will find this seminar very informative. Be sure to register early. For more information, call the Center on (202) 874-9560. [FC](#)

August Conference Will Take You to the Edge

T'S SHOWTIME August 12 through 14 for the Financial Management Service's eighth-annual **Government Financial Management Conference** at the Hyatt Regency Bethesda (MD). Look at what the Center for Applied Financial Management has to show you.

The conference, planned by the Center, is one of its most popular training events. This year's conference, themed "Fiscal Impact: Leadership Edge," focuses on providing Federal financial personnel with the latest, expert information on improvements, advancements, and developments in financial management in order to maximize performance. It has been expanded to include over 70 presentations by experts across Government, exhibits by corporate financial systems vendors, and demonstrations of products and services by FMS experts.

Prominent plenary speakers include **Sallyanne Harper**, Chief Financial Officer, **Environmental Protection Agency**, and **David Mosso**, Chairman of the **Federal Accounting Standards Advisory Board (FASAB)**.

Highlights of the 1998 conference feature these tracks and sample listing of topics:

Accounting, Auditing, and Reporting: Audited Financial Statements; FASAB directions; form and content statements;

General Accounting Office (GAO) Audits; Joint Financial Management Improvement Program (JFMIP) initiatives; budgetary accounting, and FACTS II migration.

Human Resources: 500 Series Classification Update; Career Transitioning; Professional Certification.

Electronic Commerce: Automated Standard Application for Payments (ASAP); Electronic Funds Transfer (EFT) 99; Solutions of Interagency Payable and Collection Processing.

Debt Management: Treasury Offset Program; Report on Receivables Due From the Public; Debt Collection Improvement Act (DCIA) proposed rules; Portfolio Analysis/Agency Liaison.

Information Mix: Using FinanceNet; CIO Act; Cost Accounting Systems.

Last year over 300 satisfied financial personnel attended. There is still time to register for the 1998 conference; early registration is encouraged. Interested Federal financial employees are encouraged to call the Center on (202) 874-9560 for more information and a registration form. [FC](#)



APRIL

- 7-8 Managerial Cost Accounting
- 9 Certifying Officers
- 9 Basic Accounting Concepts
- 14-15 Dollars and Sense
- 20-21 Federal Assets and Liabilities
- 22-23 Standard General Ledger (SGL): Basic
- 24 SGL: Upward and Downward Adjustments
- 27-28 Implications of Federal Appropriations Law
- 28-30 Survey of FASAB (Federal Accounting Standards Advisory Board)

MAY

- 12-13 SF 224: Statement of Transactions
- 14 Reconciling Differences
- 18-19 Unlocking Key Reports
- 19-21 Revenue Standard/Form and Content
- 20-21 SF 1219/1220

Upcoming Courses At The Center

JUNE

- 1-2 Budget Execution Game
- 3-4 SGL: Advanced
- 9-11 Survey of FASAB
- 16-17 Managerial Cost Accounting
- 16-17 SF 224: Statement of Transactions
- 17 Certifying Officers
- 22-23 Property, Plant and Equipment/Stewardship Reporting
- 24 Basic Accounting Concepts
- 24-25 Accrual World
- 25-26 Direct Loans and Loan Guarantees



Contact the Registrar (202-874-9560) for more information or fax requests to 202-874-9629.

To register for Center courses, submit a training form or purchase order to the Registrar, the Center for Applied Financial Management, 1990 K Street, NW, Suite 300, Washington, DC. 20006. All courses, unless noted, will be held at 1990 K Street, NW, until further notice.

EFT 99 on Display at National Conferences

By the San Francisco Financial Center

IN MARCH, the Financial Management Service's San Francisco Financial Center (SFC) participated in two national conferences to promote awareness of Electronic Funds Transfer (EFT) 99 among financial institutions and payment processors. Attendees at the annual conferences of the **National Automated Clearing House Association (NACHA)** and **Independent Bankers Association of America (IBAA)** flocked to SFC's FMS exhibit booth, which featured information about EFT 99, Vendor Express, electronic collections, and the FMS Web site.

This year's NACHA conference, Payments 98, was the largest ever held with over 1,600 attendees from financial institutions, government agencies, nonprofit organizations, and ACH representatives from 35 countries. Government participation has also increased. For the first time, the conference program included a full track of seminars dedicated to Federal Government interests and initiatives.



EFT 99 takes center stage at FMS' exhibit, Payments 98, Seattle. From left: Philip Belisle, SFC Regional Director; Walt Henderson, Christine Ricci, Alexa Urban, Cathy Donchatz, FMS headquarters; and Fay Rurup, SFC—Customer Assistance Staff.

At the IBAA conference, independent bankers shared EFT marketing ideas and expressed concerns about providing service to their customers currently receiving paper checks from the Federal Government.

Increasing Direct Deposit participation rates and the EFT 99 legislation were of great importance at both conferences. The FMS exhibit booth was very popular. Many more exhibit booths are planned at similar conferences during 1998 to continue FMS' marketing and education campaign. Look for its booth. **FC**

TO LEARN MORE ABOUT EFT 99—Attend a workshop session or stop by FMS' exhibit booth at these future conferences:

- **1998 Financial Electronic Commerce Conference (with exhibit booth)**—April 26-29, Chicago
- **MPX EFT 99 Conference**—April 29-30, Kansas City, MO
- **EXPO LA 98 (with exhibit booth)**—May 6-8, Los Angeles
- **EC Strategies 98**—May 13-15, Toronto

Call (202) 874-6540 for more information. www.fms.treas.gov/eft



Grants, Debt Conferences In May

SEE PAGES 5 AND 15 inside this issue for all the details on the upcoming grants training and debt collection conferences set for mid-May.

connection **newsline**
| | | | | | | | | | | | | | | |

■■■ *The Financial Connection on the Internet:*

<http://www.fms.treas.gov/finconn>

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